



*United States Attorney
District of New Jersey*

*Michele Brown
Counsel to U.S. Attorney*

*970 Broad Street, Suite 700
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(973)645-2905

March 17, 2005

Thomas G. Roth, Esq.
395 Pleasant Valley Way
West Orange, New Jersey 07052

Re: Plea Agreement with ComTriad Technologies, Inc.

05-185

Dear Mr. Roth:

This letter sets forth the full and complete agreement between your client, ComTriad Technologies, Inc. ("ComTriad Technologies"), and the United States Attorney for the District of New Jersey ("this Office").

Charge

Conditioned on the understandings specified below, this Office will accept a guilty plea from ComTriad Technologies to a one-count Information which charges wire fraud, in violation of 18 U.S.C. § 1343. If ComTriad Technologies enters a guilty plea and is sentenced on this charge, and otherwise fully complies with all of the terms of this agreement, this Office will not initiate any further criminal charges against ComTriad Technologies or against Kai Xu, a/k/a Roy Xu, or Yong-Qing Cheng relating to: (a) ComTriad Technologies' use of PathStar Access Server system components and proprietary information, for the period 1999 through 2001, or (b) documents and other physical evidence obtained or seized from the defendants during the pendency of this action. In addition, if ComTriad Technologies fully complies with all of the terms of this agreement, at the time of sentencing in this matter, this Office will move to dismiss Indictment 01-365 as to defendants Kai Xu, a/k/a Roy Xu, and Yong-Qing Cheng. However, in the event that the judgment of conviction entered as a result of this guilty plea does not remain in full force and effect, any dismissed charges and any other charges that are not time-barred by the applicable statute of limitations on the date this agreement is signed by ComTriad Technologies may be commenced against it, notwithstanding the expiration of the limitations period after ComTriad Technologies signs the agreement. ComTriad Technologies agrees to waive any statute of limitations with respect to any past crime that would otherwise expire after ComTriad Technologies signs the agreement.

Sentencing

The violation of 18 U.S.C. § 1343 to which ComTriad Technologies agrees to plead guilty carries a statutory maximum sentence of five years probation, and a statutory maximum fine equal to the greatest of (1) \$500,000; (2) twice the gross amount of any pecuniary gain that any persons derived from the offense; or (3) twice the gross amount of any pecuniary loss sustained by any victims of the offense. Fines imposed by the sentencing judge may be subject to the payment of interest.

The sentence to be imposed upon ComTriad Technologies is within the sole discretion of the sentencing judge, subject to the provisions of the Sentencing Reform Act, 18 U.S.C. § 3551-3742, and the sentencing judge's consideration of the United States Sentencing Guidelines. The United States Sentencing Guidelines are advisory, not mandatory. The sentencing judge may impose any reasonable sentence up to and including the statutory maximum fine. This Office cannot and does not make any representation or promise as to what guideline range may be found by the sentencing judge, or as to what sentence ComTriad Technologies ultimately will receive.

Further, in addition to imposing any other penalty on ComTriad Technologies, the sentencing judge: (1) will order ComTriad Technologies to pay an assessment of \$400 pursuant to 18 U.S.C. § 3013, which assessment must be paid by the date of sentencing; (2) must order ComTriad Technologies to pay restitution pursuant to 18 U.S.C. §§ 3663 *et seq.*; and (3) may order ComTriad Technologies, pursuant to 18 U.S.C. § 3555, to give notice to any victims of its offense.

Rights of this Office Regarding Sentencing

Except as otherwise provided in this agreement, this Office reserves its right to take any position with respect to the appropriate sentence to be imposed on ComTriad Technologies by the sentencing judge, to correct any misstatements relating to the sentencing proceedings, and to provide the sentencing judge and the United States Probation Office all law and information relevant to sentencing, favorable or otherwise. In addition, this Office may inform the sentencing judge and the United States Probation Office of: (1) this agreement; and (2) the full nature and extent of ComTriad Technologies's activities and relevant conduct with respect to this case.

Stipulations

This Office and ComTriad Technologies agree to stipulate at sentencing to the statements set forth in the attached Schedule A, which hereby is made a part of this plea agreement. This agreement to stipulate, however, cannot and does not bind the sentencing judge, who may make independent factual findings and may reject any or all of the stipulations entered into by the parties. To the extent that the parties do not stipulate to a particular fact or legal conclusion, each reserves the right to argue the existence of and the effect of any such fact or conclusion upon the sentence. Moreover, this agreement to stipulate on the part of this Office is

based on the information and evidence that this Office possesses as of the date of this agreement. Thus, if this Office obtains or receives additional evidence or information prior to sentencing that it determines to be credible and to be materially in conflict with any stipulation in the attached Schedule A, this Office shall not be bound by any such stipulation. A determination that any stipulation is not binding shall not release either this Office or ComTriad Technologies from any other portion of this agreement, including any other stipulation. If the sentencing court rejects a stipulation, both parties reserve the right to argue on appeal or at post-sentencing proceedings that the sentencing court was within its discretion and authority to do so. These stipulations do not restrict the Government's right to respond to questions from the Court and to correct misinformation that has been provided to the Court.

Waiver of Appeal and Post-Sentencing Rights

As set forth in Schedule A, this Office and ComTriad Technologies waive certain rights to file an appeal, collateral attack, writ or motion after sentencing, including but not limited to an appeal under 18 U.S.C. § 3742 or a motion under 28 U.S.C. § 2255.

Other Provisions

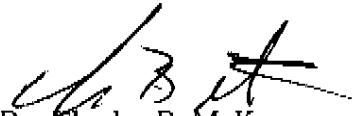
This agreement is limited to the United States Attorney's Office for the District of New Jersey and cannot bind other federal, state, or local authorities. However, this Office will bring this agreement to the attention of other prosecuting offices, if requested to do so.

This agreement was reached without regard to any civil or administrative matters that may be pending or commenced in the future against ComTriad Technologies. This agreement does not prohibit the United States, any agency thereof (including the Internal Revenue Service), or any third party from initiating or prosecuting any civil proceeding against ComTriad Technologies.

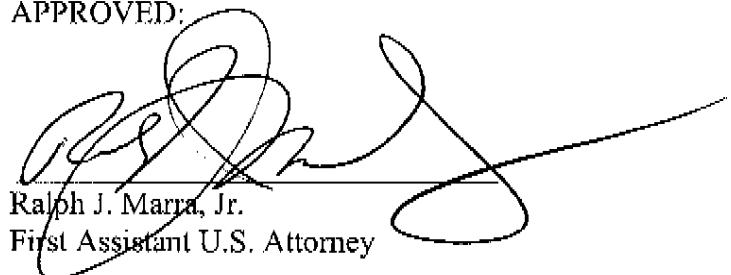
This agreement constitutes the full and complete agreement between ComTriad Technologies and this Office and supersedes any previous agreement between them. No additional promises, agreements, or conditions have been entered into other than those set forth in this letter, and none will be entered into unless in writing and signed by the parties.

Very truly yours,

CHRISTOPHER J. CHRISTIE
United States Attorney


By: Charles B. McKenna
Assistant U.S. Attorney

APPROVED:


Ralph J. Marra, Jr.
First Assistant U.S. Attorney

I have read this agreement and I understand it fully. I hereby accept the terms and conditions set forth in this letter and acknowledge that it constitutes the full agreement between the parties. There have been no additional promises or representations made to me by any officials or employees of the United States Government or by my attorney in connection with this matter.

AGREED AND ACCEPTED:

ComTriad Technologies



Date: 3/17/05

Thomas G. Roth, Esq.
Counsel for Defendant
ComTriad Technologies

Certification of Counsel

I hereby certify that: I am a member in good standing of the bar of the United States District Court for the District of New Jersey; I represent ComTriad Technologies in the matter of United States v. ComTriad Technologies, Inc., and I have been authorized by a resolution of the Board of Directors of ComTriad Technologies to sign this agreement to plead guilty on behalf of the corporation and to waive indictment and enter a plea of guilty on behalf of the corporation.

I make this certification under penalty of perjury.



Date: 3/17/05

Thomas G. Roth, Esq.

Plea Agreement With ComTriad Technologies
Schedule A

1. This Office and ComTriad Technologies agree to stipulate to the following facts:

a. The loss caused by the offense conduct cannot be calculated with precision, and determining complex issues of fact related to the cause or amount of the victim's losses would complicate and prolong the sentencing process to a degree that the need to provide restitution to Lucent is outweighed by the burden on the sentencing process. Therefore, a sentence of restitution is not reasonable in this case.

b. The parties agree that a reasonable sentence is a fine in the amount of \$250,000.

2. If the sentencing court accepts the stipulations set forth above, both parties waive the right to file an appeal, collateral attack, writ, or motion claiming that the sentencing court erred in doing so. Otherwise, this Office specifically reserves the right to file, oppose, or take any position in any appeal, collateral attack, or proceeding involving post-sentencing motions or writs.